GOVERNMENT OF ANDHRA PRADESH
A B S T R A C T

Registration Department – Exemption of Stamp Duty and Registration fee on sale agreement with possession in respect of land of an extent of 975.19 acres at Erramanchi (V), Penukonda(M), Ananthapuramu District executed by APIIC in favour of M/s KIA Motors India Pvt.Ltd (KMI)/Vendor companies of KMI on lease deed in respect of land of an extent of 92.87 acres at Erramanchi (V), Penukonda(M), Ananthapuramu District executed by APIIC in favour of M/s KIA Motors India Pvt. Ltd; and on any document for creation of any security interest by KMI for its assets and properties under Section 9(1)(a) of the Indian Stamp Act, 1899 and Section 78 of the Registration Act, 1908 - Notification – Orders - Issued.

REVENUE (REGN.II) DEPARTMENT

G.O.Ms.No.297 **Dated:07.06.2018**

Read the following:-

1. G.O.Ms.No.40 Industries and Commerce (P&I) Department, Dated 08.03.2017.
2. G.O.Ms.No.56 Industries and Commerce (P&I) Department, Dated 26.04.2017
3. G.O.Ms.No.62 Industries and Commerce (P&I) Department, Dated 26.04.2018.
4. U.O.No.INC01-12/6/2018-Prog-II-Inds, dt:30.05.2018 from Industries and Commerce Department.
5. From the D&I.G, R&S,A.P., Vijayawada report dt:01.06.2018 in single file bearing C.No. INC01-12/6/2018-Prog-II-Inds.

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O R D E R :

In the reference 4th read above, the Industries & Commerce (Prog-II) Department have stated that the CAO, M/s KIA Motors India Private Limited (KMI) has requested for exemption of stamp duty etc., in relation to purchase and/or lease of land by KMI or creation of security interest by KMI for its assets and properties as per the G.O.Ms.No.62 Industries and Commerce (P&I) Department dated 26.04.2018. The details of lands allotted/to be allotted on sale basis/lease basis to KMI and vendor companies of KMI are as follows:-

1) **Lands already allotted on sale basis to KIA**

SL. No.	Extent of land in acres	GO issued for allotment by I &C Dept.	GO issued for alienation by Rev. Dept.	Extent in Acres	Sy.Nos./village/Mandal
1.	587.84	GO.Ms.No.101, Dt.21-07-2017	GO.Ms.No.175, dt.20.04.2018	453.56	141/2 etc, of Erramanchi (V), Penukonda (M)
			GO.Ms.No.269, dt.24.05.2018	11.20	14/6 etc, of Erramanchi (V), Penukonda (M)
				36.00	17/2B2 etc, of Erramanchi (V), Penukonda (M)
			Patta land purchased vide GO.Ms.No.181, dt:19.12.2016	86.81	134,138 etc, of Erramanchi (V), Penukonda (M)
			Total:	**587.57**	

Contd..P.2

2) **Lands already allotted on lease basis to KIA**

SL. No.	Extent of land in acres	GO. issued for alienation by Rev. Dept.	Extent in Acres	Sy.Nos./village/Mandal
1.	91.22 for Hillock	GO.Ms.No.403, dt.18.09.2017	91.22	520, of Erramanchi (V), Penukonda (M)
2.	1.65 for approach road to Hillock	GO.Ms.No.268, dt.24.05.2018	1.65	518-14 & 518-15, of Erramanchi (V), Penukonda (M)
		Total :	**92.87**	

3) **Lands to be allotted for which allotment GO to be received from the Government to APIIC for allotment to M/s. KIA**

SL. No.	Extent of land to be allotted in Acres	GO. issued for alienation by Rev. Dept.	Extent in Acres	Sy.Nos./village/ Mandal
1.	223.50 (towards balance land for Truck Terminal Ac.50.00, Rly. Siding Ac.100.00 & Addl. Land Ac.73.50)	GO.Ms.No.268, dt.24.05.2018 for an extent of Ac.402.32	Out of Ac.223.50, an extent of Ac.171.93 is covered in the alienation GO	1/1, 146/1 etc, of Erramanchi (V), Penukonda (M)

4) **Lands to be allotted to the vendor companies of KIA**

SL. No.	Extent of land in acres	GO issued for incentives	GO. issued for alienation by Rev. Dept.	Extent in Acres	Sy.Nos./village/ Mandal
1.	164.12	GO.Ms.No.33 to 48 I&C (P&I)Dept., Dt.17-03-2018.	GO.Ms.No.268, dt.24.05.2018 for an extent of Ac.402.32	Out of Ac.164.12, an extent of Ac.150.50 is covered in the alienation GO	1/1, 146/1 etc, of Erramanchi (V), Penukonda (M)

A total extent of land of Acs.1068.33cts (Ac.587.84+92.87+223.50+164.12) is required to be allotted for M/s. KIA Motors India Pvt. Ltd. and its vendors. Out of which, as on date, an extent of Ac.675.57 was allotted and balance of land to be allotted is Ac.392.76.

2. In the reference 5th read above, the D&IG, R&S has submitted the financial implications involved in the matter as follows:-

Part I (Sale Agreement with Possession):

As per the recitals of the draft Sale Agreement submitted by APIIC, the APIIC is GOing to execute a Sale Agreement with Possession in respect of M/s KIA Motors India Pvt Ltd at consideration of Rs.6,00,000/- per Acre for an extent of Ac 535.50. But the financial implications were requested for total extent of Ac 975.19. The following are the details:

Extent : 975.19 Acres.
Market Value of the Property : Rs.1,45,000/- per Acre.
: Rs.14,14,02,550/- (975.19*1,45,000/-)
Consideration Value : Rs.58,51,14,000/-(975.19*6,00,000/-)

The Stamp Duty on the said Sale Agreement with Possession is chargeable under Art 47-A @ 5% on the Market Value of the Property or Consideration (as declared by the Party), whichever is higher and Registration Fee is chargeable @ 0.5% (subject to a minimum of Rs.1000/- and maximum of Rs.20,000/-)

Therefore,
Stamp Duty : Rs. 2,92,55,700/-(5% on Rs.58,51,14,000/-)
Registration Fee : Rs.20,000/-

Contd..P.3

Part II (Lease Deed):

As per the recitals of the draft Lease deed submitted by APIIC, the APIIC is Going to execute a Lease Deed with M/s KIA Motors India Pvt Ltd. The following are the details:

Total Lease Period	:	99 years
Rent	:	Rs.1,00,000/- per Annum
Extent	:	92.87 Acres.
Market Value of the Property	:	Rs.1,34,66,150/-
Security Deposit	:	Rs.3,00,000/- (Not Chargeable since it is refundable)

Hence, the Stamp Duty on the said Lease Deed is chargeable under Art 31(a)(vi) @ 3% on the Market Value of the Property and Registration Fee chargeable @ 0.1% on Market Value.

Therefore,

Stamp Duty	:	Rs.4,03,985/- (3% on Rs.1,34,66,150/-)
Registration Fee	:	Rs.13,466/- (0.1% on Rs.1,34,66,150/-)

Further, as per GO.Ms.No.62 I&C (P&I) Department dated: 26.04.2018 clause 9 (1) (xii), it was also mentioned for exemption of Stamp Duty and Registration Fee "on any document for creation of any security interest by KMI for its assets and properties". Financial implications cannot be arrived on unanticipated financial transactions.

Therefore,

Total Stamp Duty	:	Rs. 2,96,59,685/- (2,92,55,700+4,03,985)
Total Registration Fee	:	Rs.33,466/- (20,000+13,466)

Total financial implications involved in the issue are Rs.2,96,93,151/-.

3. The Director & Inspector General, Registration & Stamps has stated that a decision may be taken by the Government being competent U/s 9(1)(a) of Indian Stamp Act, 1899 and section 78 of Registration Act, 1908 for granting exemption of Stamp Duty and Registration Fee.

4. Government, after careful examination of the matter, have decided to exempt the Stamp duty and Registration fee on the above said documents in accordance with the orders issued at para 9(1) (xii) of G.O.Ms.No.62, Industries & Commerce(P&I)Department dt:26.04.2018

5. Accordingly, the following notification will be published in an extra- ordinary issue of the A.P. Gazettee, dated:08.06.2018.

NOTIFICATION-I

In exercise of the powers conferred by clause (a) of sub section (1) of section 9 of the Indian Stamp Act, 1899 (Act-II of 1899) the Governor of Andhra Pradesh hereby remits the Stamp Duty in full chargeable

i) under Article 47-A of the said Act payable on the deed of sale agreement with possession, in respect of land admeasuring Ac.975.19 situated at Erramanchi (V), Penukonda(M), Ananthapuramu District executed by APIIC in favour of M/s KIA Motors India Pvt.Ltd /Vendor companies of KIA Motors India Pvt.Ltd;

ii) under Article 31(a)(VI) of the said Act payable on the lease deed in respect of land admeasuring Acres 92.87 situated at Erramanchi (V), Penukonda(M), Ananthapuramu District executed by APIIC in favour of M/s KIA Motors India Pvt.Ltd /Vendor companies of KIA Motors India Pvt.Ltd; and

iii) on any document for creation of any security interest by KMI for its assets and properties

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NOTIFICATION -II

In exercise of the powers conferred by section 78 of the Registration Act, 1908 (Act XVI of 1908), the Governor of Andhra Pradesh hereby makes the following amendment to the "Table of Fees" under Registration Fees issued in G.O.Ms.No.463, Revenue (Registration-I) Department, dated the 17th August, 2013 and published at pages 1 to 3 of Part I of Extraordinary issue of the Andhra Pradesh Gazette, dated the 26th August, 2013 as subsequently amended from time to time.

AMENDMENT

In the said "Table of Fees" after category 5(w), the following shall be added namely 5(x):-

(x) No registration fee shall be leviable under section 78 of the Registration Act 1908

i) on the sale agreement with possession in respect of land admeasuring Ac.975.19 situated at Erramanchi (V), Penukonda(M), Ananthapuramu District executed by APIIC in favour of M/s KIA Motors India Pvt.Ltd /Vendor companies of KIA Motors India Pvt.Ltd;

ii) on the lease deed in respect of land admeasuring Acres 92.87 situated at Erramanchi (V), Penukonda(M), Ananthapuram District executed by APIIC in favour of M/s KIA Motors India Pvt.Ltd/Vendor companies of KIA Motors India Pvt.Ltd;and

iii) on any document for creation of any security interest by KMI for its assets and properties.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

MANMOHAN SINGH
SPECIAL CHIEF SECRETARY TO GOVERNMENT (FAC)

To
The Commissioner of Printing, Stationery and Stores Purchase
(Printing Wing), A.P., (He is requested to publish the notification and furnish (25) copies to the Director & Inspector General of Registration and Stamps, Andhra Pradesh, Edupugallu, Vijayawada and (25) copies to the Government).
The Director & Inspector General of Registration and Stamps,
Andhra Pradesh, Vijayawada.
The Industries & Commerce(Prog.II) Department
Copy to:
The P.S. to Spl.C.S to CM.
The OSD to Deputy CM, Revenue,
The PS to Spl CS to Govt., Revenue.
SF/SC.

//FORWARDED::BY ORDER//

SECTION OFFICER